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TAGS: [PREL](#) [PARM](#) [EUN](#) [IR](#) [KN](#) [KNNP](#)  
SUBJECT: U.S. AND EU-27 HOLD THIRD DIALOGUE ON VERIFICATION  
AND COMPLIANCE, JUNE 4, 2007

Classified By: ACTING DEPUTY POLMINCOUNS VINCENT CARVER  
FOR REASONS 1.4 (B) AND (D).

¶1. (SBU) Summary: Assistant Secretary (A/S) of the Bureau of Verification, Compliance, and Implementation (VCI) Paula DeSutter met with EU members of the Conference on Disarmament/UN and Non Proliferation Working Groups (CODUN and CONOP) June 4, 2007. This third meeting followed a successful U.S. and EU Summit April 30 that reaffirmed our strategic partnership with the EU and highlighted in a joint political progress report what has been achieved. The participants focused on the Fissile Material Cut-off Treaty (FMCT) and The Hague Code of Conduct (HCOC) before reviewing the 10th Anniversary of the Chemical Weapons Convention (CWC), the Second Review Conference of the CWC in April 2008, NPT prepcom and BWC Sixth Review Conference results, U.S./Russia Post START, U.S. Space Policy, North Korea and Iran. All parties agreed that the discussion on these issues were fruitful and the expert discussion on the FMCT yielded a better understanding of the U.S. view on whether the FMCT is verifiable. End Summary.

#### Highlighting Key Issues

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¶2. (U) German Ambassador Ruediger Luedeking opened the third U.S.-EU Member State dialogue on Verification and Compliance by thanking Assistant Secretary DeSutter for her engagement with the EU on verification and compliance issues. Assistant Secretary DeSutter stressed the U.S.-EU strategic

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partnership, Russia's concerns relative to CFE and its request for an extraordinary conference, and observed the success of the Sixth Biological Weapons Convention (BWC) Review Conference (RevCon).

¶3. (C) A/S DeSutter highlighted Iranian and North Korean noncompliance with the Nuclear Non-Proliferation Treaty (NPT) and the resultant negative impact on the regime. She posited whether these developments provided "lessons learned" for the international community. Russian threats to suspend implementation of the Conventional Armed Forces in Europe Treaty (CFE) were very disturbing, she said, but she hoped that Russia's objective in calling for an "Extraordinary Conference" was to help ensure the future of the CFE regime.

¶4. (U) A/S DeSutter also emphasized opportunities, such as the Second CWC Review Conference in April 2008, whereby, States Parties will meet to review the effectiveness and operation of the Convention. It is an opportunity, she said, "to look forward to things well done."

Fissile Material Cut-Off Treaty (FMCT)

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¶5. (C) Ambassador Luedeking said FMCT compliance is critical and highlighted enhanced detectability and action against violators as crucial, especially in regard to Iran. The role of the UN, as final arbiter, should be strengthened. Reflecting on the CFE Extraordinary Conference, Luedeking stated the EU was firmly in support of mutually reinforcing agreements, which established a framework for long-term security on the European continent.

¶6. (C) VCI Nuclear Affairs Office Director Dr. Stanley Fraley previewed his remarks by stating that, as reported to the CD in Geneva, the U.S. had conducted a study that concluded that an FMCT would not be effectively verifiable. He focused on key verification issues:

- Detection of clandestine sites (which would be especially problematic under an FMCT because the nuclear weapons states would have facilities and nuclear materials that would not be subject to the agreement);
- Monitoring production at declared facilities;
- The allowed production of fissile material after entry-into-force for non-proscribed military purposes (such as for naval propulsion);
- Monitoring material declared after the cut-off date to verify that material is not diverted;
- Lack of application of an FMCT to material produced before the cut-off date; and
- Determining whether any material produced after the cut-off date was for a permitted or proscribed purpose.

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¶7. (C) Ambassador Luedeking said the EU position is that countries should enter an FMCT negotiation with no preconditions. German Peace Research Institute FMCT specialist Annette Schaper added that the world is insecure because there exists a great deal of fissile material and its whereabouts are unknown. She added that the U.S. is not a country of concern unlike Pakistan and Russia. Russia rebukes related questions with "it is national business." International concern about fissile material should not be disregarded.

¶8. (C) Schaper said that at the commencement of cut-off discussions, there was a need for international compliance, verified by the IAEA, for example. A recommencement of such discussions would send a positive signal and be symbolic. She responded to Dr. Fraley's points by stating that it is clear there will be locations that are exempt. But, why not treat sites outside the treaty as &Black Boxes,8 put "fences around the black box" and just monitor what goes in and out of the facility using a &Yes/No8 monitoring system to protect sensitive information. We cannot accept that it is hopeless, she said. Luedeking agreed that one hundred percent verification is not possible, but measures that can be instituted for possible violations should be considered. Dr. Fraley pointed out that Black Boxes do not help because fissile material not subject to the treaty would be entering and leaving the facility. Items would not be stopped or inspected even when the monitoring system gave a &Yes8 reading.

¶9. (C) A/S DeSutter noted that standards of verifiability change depending on the covered item, and there is always risk of cheating. Fundamental challenges include the date the material was produced (i.e., before or after the cut-off date). If the material was produced prior to the cut-off date, it is not subject to the FMCT. We must be able to determine the purpose for which the material was produced. Verifiability depends on what one is attempting to monitor.

¶10. (C) Luedeking said that one of the purposes of the IAEA is to insure non-diversion. If arguments against verification are carried to the extreme, "then why bother with the IAEA and the Additional Protocol," he questioned. If we are so uncertain on the verifiability of FMCT, then why have the NPT?

¶11. (C) Dr. Fraley emphasized that under the NPT safeguards regime, inspectors are allowed to look for undeclared fissile material, and its presence would be a violation. The differences between the NPT and an FMCT are significant.

#### Hague Code of Conduct (HCoC)

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¶12. (C) Speaking on behalf of the EU, Luedeking said HCoC is "still in crisis." He opined that the Sixth Annual Conference held on May 31 / June 1, 2007 was an improvement over last year's meeting, but Russia was obstructive and threatened a moratorium on pre-launch notifications. Russia also criticized the U.S. for not submitting pre-launch notifications. Luedeking reported that there has been an improvement in annual declarations, but acknowledged this was far from encouraging. Although the EU has been active in demarching non-subscribing states, Luedeking noted that more needs to be done. On May 30, 2007, the EU sponsored an HCoC seminar that went well, although the U.S. was criticized for not attending. Luedeking admonished the U.S. to comply with requirements of pre-launch notifications; otherwise it could serve as an excuse for Russia to leave the agreement. Solana, s Personal Representative on Nonproliferation and WMD, Annalisa Giannella, noted concern about the survival of the agreement if there is no movement on this issue. German representative, Luedeking was clear that something needed to be done soon, and he added that the U.S. and EU have long been "champions of compliance." A/S DeSutter indicated she would discuss the issue with the appropriate officials in Washington.

#### Chemical Weapons Convention (CWC)

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¶13. (C) Discussions on CWC focused primarily on the Second Review Conference (RevCon) scheduled for April 2008 and ongoing activities celebrating the tenth anniversary of entry-into-force of the CWC. On issues relative to the Review Conference, Luedeking said the EU would soon adopt a common position on the RevCon, and he provided some preliminary thoughts on a few key areas the EU are likely to strongly support. These include: the General Purpose

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Criterion (Article I), Article VII joint action plan on National Implementation and the action plan on Universality. He also indicated that the EU would focus closely on a review of States Parties, destruction records and verification systems and is hoping for a successful outcome of the Conference. As part of States Parties efforts to commemorate the 10th anniversary of the CWC, there are ongoing activities being planned throughout the year.

¶14. (C) A/S DeSutter highlighted her recent participation in a ceremony in The Hague for the unveiling of a Permanent Memorial to all victims of Chemical Weapons as well as noted the congratulatory message from U.S. Secretary of State Condoleezza Rice to the Director General of the OPCW, Rogelio Pfirter, on such a significant milestone. The Italian representative noted the success of an April international conference to promote universality in the Mediterranean and Middle East regions, and the British representative agreed that universalization remains an important issue and there is a need to address the issue of terrorism. He hoped the upcoming Global Initiative against Nuclear Terrorism meeting would present an opportunity to address these related issues. The Polish representative indicated that they will sponsor

an event during the UN First Committee meeting on September 27 in New York.

NPT Preparatory Committee (PrepCom)

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¶15. (C) Luedeking noted that the objective of a smooth start during the May NPT PrepCom meeting was blocked due to Iran's disruptive tactics. A/S DeSutter pointed out that cooperation between the U.S. and EU delegation was excellent and commended the EU and the German EU Presidency for effectively coordinating EU positions to help counter Iran's negative tactics. The Czech representative cited one positive outcome of the PrepCom as the "clear signal" that Iran was isolated. He said the Iranians "sounded desperate" in the final minutes of the meeting when they realized they had lost support of the non-aligned movement countries. He commended the U.S. delegation for its "good actions" whereby U.S. views were openly published and shared in advance and addressed "the lowest common denominator."

¶16. (C) On Iranian compliance enforcement, A/S Desutter called the debate within and among groups of countries crucially important. Other countries are watching the debate, she said, not just for nuclear weapons, but for biological and chemical weapons. We must consider the consequences down the road if we fail on Iranian compliance. The Swedish representative said the international community is closer than ever in opposition to Iranian nuclear behavior and international pressure should continue. He asked whether the time was optimal to begin discussing nuclear export controls more comprehensively -- for instance, multi-nation fuel supply in conjunction with UN Security Council Resolution 1540 alongside sanctions regimes on the DPRK. He suggested that IAEA, Missile Technology Control Regime and Nuclear Supplier Group lists point to minimum standards for export regimes.

¶17. (C) EU representative Giannella said it was a "big mistake" that the world did not react quickly to Iraq's use of chemical weapons on Iran years ago. Developing countries must be convinced to cooperate with the west on weapons of mass destruction because these countries characterize the west as "obsessed" about the issue. She said the west should emphasize it can offer technology, not only deny technology. In discussions regarding Iran, she suggested the west not emphasize "Iran has been isolated," but instead focus on the positive aspect of continued dialogue.

Biological and Toxin Weapons Convention (BTWC)

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¶18. (SBU) As highlighted in A/S DeSutter opening remarks, she noted the success of the BWC Review Conference which adopted a new program of work for 2007-2010, and that work program should provide a solid basis for enhancing implementation. A/S DeSutter also raised the importance of timely and accurate investigations into allegations of BW use and noted the creation of a new BWC office under her Bureau which focuses on BW use and its implications. She added that in order for investigations to be effective, there should be good baseline data on epidemiologic pattern of diseases to understand when events have occurred and how to trace them. That baseline should include a database of global isolates and strains in order to trace agents used in a BW event to specific regions of the world. The UK representative said

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the UK is developing a related code of conduct and involving scientists in its preparation -- a critical effort. Luedeking noted the success of the previous BTWC meeting and said the EU would be putting forward working documents to be prepared by a dedicated task force.

U.S. and Russia: Post-START

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¶19. (C) A/S DeSutter said that the START Treaty is scheduled to expire in December 2009, and the U.S. and Russia have agreed that it is not appropriate to extend START and are engaged in exchanges on a post-START arrangement that will be characterized by transparency and confidence-building measures. European interlocutors expressed concern about Russian inter-continental ballistic missile tests and accompanying, negative rhetoric and threats. Luedeking asked if Russia was contemplating leaving the Intermediate Range Nuclear Forces (INF) Treaty.

¶20. (C) A/S DeSutter said that it is sometimes difficult to convince countries to give up missile defense systems. She added that the U.S. does not want Russia to feel threatened and that she hoped additional dialogue would help.

Democratic Peoples Republic of Korea (DPRK)  
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¶21. (C) A/S DeSutter indicated that the technical details of the Six-Party Talks' February Agreement is an important first step toward the complete, verifiable and irreversible denuclearization of North Korea have yet to be effected. In contrast to the case of Libya, the DPRK had not yet made a strategic decision to abandon nuclear weapons.

Space Policy  
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¶22. (C) European representatives questioned why the U.S. was opposed to an overall space policy and expressed confidence that a code of conduct or "rules of the road" for operating and exploring in space would be useful. Luedeking indicated that Germany is sponsoring a related seminar in Berlin in late June, entitled, "Challenges to Space Security." The Italian representative said that space security concerns conventional arms countries, not only nuclear weapons states. There is increased interest in confidence building measures and greater discipline in space operation/exploration.

¶23. (C) While acknowledging EU concerns, A/S DeSutter told her counterparts the U.S. is very dependent on space, especially for commercial uses (commercial global positioning systems, telecommunications, etc.). She indicated a series of dialogues had been held, including with NATO. There is a need to reduce our collective vulnerabilities in an area of significant global dependence.

¶24. (C) Luedeking countered that the U.S. perspective on space policy is quite different than the EU's. The EU believes the response to a vulnerability should include enhanced cooperation, especially with partners, in order to collectively address the vulnerabilities. He suggested the U.S. investigate "arms control approaches" to which States Parties' adhere for options. An outer space treaty could serve as a "magna carter" that would enshrine basic norms with potential review within a multilateral framework. Luedeking recommended greater U.S.-EU in-depth discussions on the risks of outer space.

¶25. (U) Participants

European Union  
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Ambassador Ruediger Luedeking, Deputy Commissioner of the Federal Government for Arms Control and Disarmament, Federal Foreign Office, Berlin (German Presidency Chair)  
Thomas Gobel, Deputy Head of Division, Nuclear Arms Control and Non-Proliferation, Federal Foreign Office, Berlin  
Mark Kamperhoff, Nuclear Arms Control and Non-Proliferation Division, Federal Foreign Office, Berlin  
Joao Corte-Real, Head of Department, Security and Defence Department, MFA, Lisbon  
Annalisa Giannella, Personal Representative of the High Representative for Non-Proliferation of WMD  
Andreas Strub, Team Coordinator, Office of the Personal Representative of the High Representative for

Non-Proliferation of WMD  
Zuzana Sutiakova, Office of the Personal Representative of  
the High Representative for Non-Proliferation of WMD

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Representatives from 27 EU Member State Countries

United States

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Paula DeSutter, Assistant Secretary of State for  
Verification, Compliance and Implementation  
Dr. Stanley Fraley, VCI Nuclear Affairs Office Director  
Johnathan Beckett, Foreign Affairs Officer and EU Coordinator  
Margaret Diop, Political Officer, U.S. Mission to the EU

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